

U.S.

IMPERIALISM
IN

LATIN AMERICA



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Introduction

In the past decade, the world has witnessed a rise in the liberation and anticolonial movements in Latin America directed primarily against the U. S. interests and its puppets. In this article, we shall try to analyze the causes of these movements.

First of all, the U. S. prime interest in Latin America is economic. When the big corporations in the United States encountered difficulty in maintaining their rate of profits in the United States, their eyes were drawn to the superprofits which were obtainable in Latin America. These profits were made possible by the miserable wage rates in Latin America and by the servile attitude of many of the local governments. These corporations embarked on a policy of colonialism, thus intervening in Latin America which represents to them one of the largest fields of investment for the extraction of high profits. According to Herman Olden and the Labor Research Association, more than \$6 billion were invested in Latin America in 1953, representing about 40% of U. S. investments abroad.

U. S. Investments in Latin America and Its Consequences

(ref: John Gerassi: The Great Fear in Latin America - Collier 1963)

Argentina: A United States oil company is given the right to exploit 1,000,000 acres and invested \$200 million.

Chile: In the North, huge corporations take \$350,000,000 annual net worth of copper, nitrates, gold, and silver, while half a million people live in wooden shacks.

Paraguay: There is an Agrarian Reform Institute, its budget is \$275,000 per year, of which \$261,000 goes for administrative salaries. Per capita income is \$95 per year.

Peru: There are about 100,000 indians in the mines in the mountains, where pay is from 30¢ to \$1 per day, and where conditions and poisonous fumes deteriorate the health of the workers. Many companies, including some of the U. S. mining corporations, distribute coca to the indians before they enter the pits to render them semi-conscious to the dangers and pains that the fumes create.

Venezuela: The oil of Venezuela is mostly in the hands of Standard Oil Company of New Jersey and the Royal Dutch Shell Company. Iron is being extracted by foreign companies; U. S. Steel and Bethlehem Steel, which owns the mine of El Pao are major exploiters. U. S. Steel pays 22¢ per ton of iron ore extracted. The country receives only \$1 billion per year in revenues for its natural resources; this is only 25% of what would be obtained if these resources were controlled by Venezuela. Much of what is received is wasted by the corrupt government.

Panama: Panama agreed to grant the Canal Zone to the U. S. for \$250,000 a year forever. Today, the fee has been raised to \$1,930,000 a year. Each year, the United States takes in about \$54 million.

Jamaica: The mines of Jamaica are not Jamaican. They belong to ALCAN, Kaiser, Reynolds, and other North American enterprises. In 1961, Kaiser, Reynolds, and ALCAN extracted together some \$200 million worth of ore.

Dominican Republic: (Statistics by Victor Perlo: Marines in Santo Domingo)
In 1962, the U. S. had invested \$250 million according to Dominican officials. The largest U. S. interest in the country is Alcoa. This large corporation is owned by the billionaire Mellon family. United Fruit Company also has several thousand acres of bananas there. The First National City Bank has a Santo Domingo branch, and together with Alcoa have a net worth exceeding the national income of the Dominican Republic. The Mellon and Rockefeller families which own Alcoa and South Puerto Rican Sugar Co. respectively, each own more than five times the Dominican national income. More significant, the Dominican Republic sent from 1960 to 1963, \$494 million to the U. S., more than twice as much as the \$233 million it recieved.

Haiti: The fascist dictator Duvalier deposits \$1 million a year in foreign banks. The graft in his regime runs up to \$6 million a year. United States aid is a handy way to enrich Duvalier. Since Duvalier took over Haiti, he has recieved from Washington \$30 million in grants; in 1961 another \$13.5 million were added. Then the U. S. gave Duvalier \$9 million more. The U. S. military aid to Haiti was \$300,000 a year up until 1964. Furthermore, Duvalier's private army known as the Ton Ton Macoute are backed by a 20,000 man strong U. S. marine trained militia.

In Latin America, almost 70% of the world's bananas are grown. Latin American consumption accounts for half of the banana production. This means that if the bananas were owned by the Latin Americans, an additional \$1.05 billion would be circulating in Latin America. If the banana production were owned by the people of Latin America, they would obtain additional profit of \$357 million. Most of the banana profits belong to an "octopus corporation", the United Fruit Company.

Since U. S. investments are concentrated in certain branches of the economy, (those which produce higher profit), the countries of Latin America have a one sided economy, some branches being more developed than others. As a result, these investments have stifled the economic development of the Latin American countries. U. S. foreign capital is used largely to consolodate the position of that portion of the bourgeoisie (the comparador bourgeoisie) who have been bought off to maintain the status quo of American investment.

Economic and Social Conditions

Although most Latin American countries have huge resources of industrial and agricultural wealth, most of these countries are forced to import a large amount of food and raw material. For instance, according to Herman Olden, Brazil and Mexico import from 20% to 25% of their raw materials while Colombia imports 50%. The causes of this are because the raw materials produced in Latin America are shipped primarily to the U. S. After processing, they are reshipped abroad and sold at higher prices. Because of this control of the economies of Latin America and the use of raw materials of these countries to produce profits for U. S. big business and not to satisfy the needs of the people, the social and economic conditions of the people are miserable. For instance, in the majority of Latin American countries, there is an average of 2.8 hospital beds per 1,000 inhabitants and 3,520 persons for each doctor. The average life expectancy in Latin America is 44 years and the number of deaths is 153 per 1,000 while, in the United States, the life expectancy is 66 while the number of deaths per 1,000 is 33 (Statistics by John Gerassi).

According to Gerassi, "Many Latin Americans die from diseases simply because they cannot drink uninfected water; 40 million people living in urban communities and 86 million in rural areas have inadequate or substandard water supplies. This is already more than half of Latin America's 200 million population."

"More shocking still, however, is how the surviving live. Three fourths of Latin Americans are constantly hungry... The average length of schooling for Latin Americans who attend school at all is 1.9 years as compared to 9 in the United States.... On the other hand, the figures would have been much higher had it included revolutionary Cuba where illiteracy has been wiped out, and where 100% of the children under fifteen are, according to the government, enrolled in schools."

As we have seen, conditions are outrageous and as a result in recent years, there have been strong democratic movements to better conditions of the majority of the population. These movements have often been portrayed in the American press as being conducted by small groups of "Communist conspirators" and "terrorists". These movements are actually supported by wide strata of the population; they are national anti-imperialist fronts which include all the elements of the population of these countries who are struggling to gain the resources of the Latin American countries to be placed in the hands of the people. In some countries, such as Guatamala, Venezuela, Colombia, and Peru, armed National Fronts (guerillas) have been established.

In response to these movements, the United States government has set up the incredible, "Operation Camelot" which was an attempt to coordinate counter insurgency efforts among the various Latin American countries. The United States is sending military advisors to the different countries to train their military in counter-insurgency and the art of killing their own people. This is similar to the U. S. policy in South Vietnam. Already, troops in Colombia and Venezuela are operating in a similar pattern to the American troops in South Vietnam.

* The U. S. government has carried on extensive political intervention in the internal affairs of Latin American countries through the CIA. The CIA has been widely acknowledged to have planned the overthrow of the constitutional government of Guatemala in 1954 and that of Brazil in 1964. It organized the ill fated invasion of Cuba by counter-revolutionaries in 1961. This caused Allen Dulles to resign as head of the CIA because he was publically blamed by the U. S. Government for the " Bay of Pigs fiasco".

Because of the growing military and political intervention on the part of the U. S., many leaders in Latin America feel that the U. S. is preparing to launch a major intervention of the Vietnam type. The pious words of the U. S. government sound hollow when contrasted with the stark reality of U. S. marines in Santo Domingo.

In response to U. S. intervention, the revolutionary movement is growing. According to Gilberto Viera's article, "The Revolutionary Movement in Colombia":

" A 'preventive' war against the revolutionary peasant movement began in May 1964 when 16,000 troops, about one-third of the Colombian army, launched what was known as 'Operation Marquetalia'. Its purpose was to encircle and destroy the self-defense units operating in the mountain areas former guerillas had turned into agricultural regions ... The struggle in Marquetalia, now in its second year, is gaining scope and intensity. All the operations undertaken by the army, despite the use of rocket missiles ... ended in failure."

In Venezuela, around 10,000 military troops were mobilized into the country side to prevent the peasants from having any contact with the guerillas. This tactic proved to be unsuccessful. Today, the guerillas control approximately five to six states of a total of 20 states in the country.

There are large and growing guerilla movements in Guatemala, Peru, and the Dominican Republic.

Today, the revolutionary movements are becoming stronger every day and are winning acceptance by wider sections of the masses. And as Luiz Padilla states in "Revolution and Counter-revolution in Bolivia":

"The reactionaries are trying to destroy every independent movement of the people. But the times have changed. Today, the imperialists can no longer decide at will the destinies of the peoples. The United States has subjected socialist Cuba to a blockade, has invaded the Dominican Republic, and has dispatched paratroops to Bolivia's borders. But this does not mean that the struggle of our peoples for national independence, democracy, and socialism is doomed to failure. It is not confidence in their strength, but sheer desperation that is driving the imperialists to embark on this dangerous path....."